

Home Inspectors Licensing Board

Licensure Laws and Regulations

A Compilation from the Indiana Code and Indiana Administrative Code

2005 Edition



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HOME INSPECTORS LICENSING BOARD

2005 Edition

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INDIANA ADMINISTRATIVE CODE

Title 878

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ARTICLE 20.2. HOME INSPECTIONS

Chapter 1. Application of Article

IC 25-20.2-1-1 Application of article; exclusions

Sec. 1. (a) This article applies to an individual who conducts home inspections for compensation.

(b) This article does not apply to the following:

- (1) An individual who is acting within the scope of the individual's employment as:
 - (A) a code enforcement official for the state or a political subdivision of the state; or
 - (B) a representative of a state or local housing agency or authority acting under the authority of the United States Department of Housing and Urban Development.
- (2) An individual who is:
 - (A) either:
 - (i) registered as an architect under IC 25-4;
 - (ii) registered as a professional engineer under IC 25-31; or
 - (iii) licensed as a plumbing contractor or journeyman plumber under IC 25-28.5; and
 - (B) acting within the scope of the individual's registration or license.
- (3) An individual who is licensed under IC 25-34.1 as a real estate broker, broker-salesperson, or salesperson and is acting within the scope of the individual's license.
- (4) An individual who is licensed or certified under IC 25-34.1 as a real estate appraiser and is acting within the scope of the individual's license or certificate.
- (5) An individual who holds a certificate of authority under IC 27-1-27-2 as a public adjuster and is acting within the scope of the individual's certificate.
- (6) An individual who holds a permit, certificate, or license to:
 - (A) use and apply pesticides; or
 - (B) make diagnostic inspections and reports for wood destroying pests;under IC 15-3-3.6 and is acting within the scope of the individual's certificate or license.
- (7) An individual who holds a license from a political subdivision as a tradesperson or home builder and is acting within the scope of the individual's license.

As added by P.L.145-2003, SEC.7.

Chapter 2. Definitions

IC 25-20.2-2-1 Applicability of definitions

Sec. 1. The definitions in this chapter apply throughout this article.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-2-2 "Agency"

Sec. 2. "Agency" refers to the Indiana professional licensing agency established by IC 25-1-6-3.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-2-3 "Applicant"

Sec. 3. "Applicant" means an individual who applies for a license as a home inspector.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-2-4 "Board"

Sec. 4. "Board" refers to the home inspectors licensing board established by IC 25-20.2-3-1.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-2-5 "Client"

Sec. 5. "Client" means an individual who hires or seeks to hire a licensed home inspector to obtain a home inspection or home inspection report.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-2-6 "Home inspection"

Sec. 6. "Home inspection" means a visual analysis for the purpose of providing a professional opinion of the condition of a residential dwelling and the dwelling's carports or garages, any reasonably accessible installed components,

and the operation of the dwelling's systems, including any controls normally operated by the owner of the dwelling, for the following components:

- (1) Heating systems.
- (2) Cooling systems.
- (3) Electrical systems.
- (4) Plumbing systems.
- (5) Structural components.
- (6) Foundations.
- (7) Roof coverings.
- (8) Exterior and interior components.
- (9) Any other site aspects that affect the residential dwelling.

The term does not include a code compliance inspection.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-2-7 "Home inspection report"

Sec. 7. "Home inspection report" means a legibly written report prepared for compensation and issued after a home inspection. The report must include the following:

- (1) A report on any system or component inspected that, in the professional opinion of the inspector, is significantly deficient or near the end of the system or component's service life. A report under this subdivision must include the reason why the system or component is significantly deficient or near the end of the system or component's service life, unless the reason is self-evident.
- (2) The inspector's recommendation to remedy or monitor a deficiency reported under subdivision (1).
- (3) A list of any systems or components that were designated for inspection in the standards of performance adopted by the board but that were not inspected.
- (4) The reason a system or component listed under subdivision (3) was not inspected.
- (5) A statement that the report does not address environmental hazards, including:
 - (A) lead-based paint;
 - (B) radon;
 - (C) asbestos;
 - (D) cockroaches;
 - (E) rodents;
 - (F) pesticides;
 - (G) treated lumber;
 - (H) mold;
 - (I) mercury;
 - (J) carbon monoxide; or
 - (K) other similar environmental hazards.
- (6) A statement that the report does not address wood destroying insects and organisms.
- (7) A statement that the report does not address subterranean systems or system components (operational or nonoperational), including:
 - (A) sewage disposal;
 - (B) water supply; or
 - (C) fuel storage or delivery.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-2-8 "Licensed home inspector"

Sec. 8. "Licensed home inspector" means an individual who is licensed under this article as a home inspector.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-2-9 "Licensee"

Sec. 9. "Licensee" means a person who performs home inspections and who is licensed under this article as a home inspector.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-2-10 "Residential dwelling"

Sec. 10. "Residential dwelling" means a structure consisting of at least one (1) but not more than five (5) units, each designed for occupancy by a single family, whether the units are occupied or unoccupied.

As added by P.L.145-2003, SEC.7.

Chapter 3. Home Inspectors Licensing Board

IC 25-20.2-3-1 Establishment of board

Sec. 1. The home inspectors licensing board is established.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-3-2 Members

Sec. 2. (a) The board is composed of seven (7) members appointed by the governor as follows:

- (1) Four (4) members, each of whom:
 - (A) is licensed in Indiana as a home inspector; and
 - (B) has been actively engaged in performing home inspections in Indiana for at least five (5) years immediately before the member's appointment to the board.
- (2) One (1) member who:
 - (A) is a home builder; and
 - (B) has been actively engaged in home building in Indiana for at least five (5) years immediately before the member's appointment to the board.
- (3) One (1) member who:
 - (A) is a licensed real estate salesperson under IC 25-34.1-3-3.1 or a licensed real estate broker under IC 25-34.1-3-4.1; and
 - (B) has been actively engaged in selling, trading, exchanging, optioning, leasing, renting, managing, listing, or appraising residential real estate in Indiana for at least five (5) years immediately before the member's appointment to the board.
- (4) One (1) member who represents the public at large and is not associated with the home inspection, home building, or real estate business other than as a consumer.

(b) The members of the board must be residents of Indiana.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-3-3 Terms of members; removal of members; vacancies

Sec. 3. (a) Each member of the board serves a term of three (3) years and until a successor is appointed and qualified.

(b) The governor may remove a board member at any time for incompetency, neglect of duty, or unprofessional conduct.

(c) If a vacancy occurs in the membership of the board, the governor shall appoint an individual to serve for the remainder of the unexpired term.

(d) A member may not serve on the board for more than six (6) consecutive years.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-3-4 Chairperson; vice chairperson; terms

Sec. 4. (a) Each year the board shall elect a member as chairperson and a member as vice chairperson.

(b) The chairperson and the vice chairperson shall serve in their respective capacities for one (1) year and until a successor is elected.

(c) The chairperson and the vice chairperson may not serve in those capacities for more than two (2) consecutive years.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-3-5 Presiding at meetings; presiding officer

Sec. 5. (a) The chairperson shall preside at all meetings at which the chairperson is present. The vice chairperson shall preside at meetings in the absence of the chairperson and shall perform other duties as the chairperson directs.

(b) If the chairperson and vice chairperson are absent from a meeting of the board when a quorum exists, the members who are present may elect a presiding officer who shall serve as acting chairperson until the conclusion of the meeting or until the arrival of the chairperson or vice chairperson.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-3-6 Board meetings; quorum; majority vote required

Sec. 6. (a) The board shall meet at least two (2) times each calendar year upon the call of the chairperson or the written request of a majority of the members of the board.

(b) The chairperson shall establish the date, time, and place for each meeting.

(c) A majority of the current members of the board constitutes a quorum.

(d) The affirmative vote of a majority of the members appointed to the board is necessary for the board to take official action.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-3-7 Salary per diem; travel expenses

Sec. 7. Each member of the board is entitled to the minimum salary per diem as provided by IC 4-10-11-2.1(b). Each member of the board is entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-3-8 Board duties and powers

Sec. 8. The board shall:

- (1) administer and enforce this article;
- (2) adopt rules under IC 4-22-2 that are reasonably necessary or appropriate for the administration and enforcement of this article;
- (3) prescribe the requirements for and the form of licenses, applications, and other documents that are required by this article;
- (4) grant, deny, suspend, and revoke approval of examinations and courses of study;
- (5) issue, deny, suspend, and revoke licenses in accordance with this article;
- (6) in accordance with IC 25-1-7, investigate complaints concerning licensees or persons the board has reason to believe should be licensees, including complaints concerning failure to comply with this article or rules adopted under this article, and, when appropriate, take action under IC 25-20.2-8;
- (7) bring actions in the name of the state in an appropriate circuit court in order to enforce compliance with this article or rules adopted under this article;
- (8) establish fees in accordance with IC 25-1-8;
- (9) inspect the records of a licensee in accordance with rules adopted by the board;
- (10) conduct or designate a member or other representative to conduct public hearings on any matter for which a hearing is required under this article and exercise all powers granted under IC 4-21.5;
- (11) adopt a seal containing the words "Indiana Home Inspectors Licensing Board" and, through the board's secretary, certify copies and authenticate all acts of the board;
- (12) in accordance with IC 25-1-6:
 - (A) use counsel, consultants, and other persons;
 - (B) enter into contracts; and
 - (C) authorize expenditures;that are reasonably necessary or appropriate to administer and enforce this article and rules adopted under this article;
- (13) establish continuing education requirements for licensed home inspectors in accordance with IC 25-1-4;
- (14) maintain the board's office, files, records, and property in the city of Indianapolis; and
- (15) exercise all other powers specifically conferred on the board by this article.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-3-9 Board's duty to adopt rules

Sec. 9. The board shall adopt rules under IC 4-22-2 establishing:

- (1) standards for the competent performance of home inspections;
- (2) a code of ethics for licensed home inspectors; and
- (3) standards for home inspection reports prepared by licensed home inspectors.

As added by P.L.145-2003, SEC.7.

Chapter 4. Licensing Agency; Board Secretary

IC 25-20.2-4-1 Board secretary; secretary duties

Sec. 1. The agency shall provide the board with a competent person to serve as secretary of the board. The secretary is not a member of the board. The secretary, through the agency, shall:

- (1) provide reasonable notice to board members of the date, time, and place of each meeting and provide notice in compliance with IC 5-14-

- 1.5;
- (2) keep a complete and accurate record of all:
 - (A) meetings;
 - (B) votes taken by the board; and
 - (C) other proceedings, transactions, communications, official acts, and records of the board;
- (3) keep a current file of all licenses and licensees; and
- (4) perform any other duties assigned by the board.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-4-2 Licensing agency responsibilities

Sec. 2. The agency shall provide the board with clerical or other assistants, including investigators, necessary for the proper performance of the board's duties.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-4-3 Money collected

Sec. 3. The secretary shall receive and account for all money collected under this article and, at the end of each month, report to the auditor of state and deposit the money into the state general fund with the treasurer of state.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-4-4 Expenses paid

Sec. 4. All expenses incurred in the administration of this article shall be paid from the state general fund.

As added by P.L.145-2003, SEC.7.

Chapter 5. Licensing Requirements

IC 25-20.2-5-1 License required

Sec. 1. Unless exempt under this article, a person may not conduct a home inspection for compensation without first obtaining a license as a home inspector.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-5-2 Licensing requirements

Sec. 2. (a) An individual who applies for a license as a home inspector must do the following:

- (1) Furnish evidence satisfactory to the board showing that the individual:
 - (A) is at least eighteen (18) years of age;
 - (B) has graduated from high school or earned an Indiana general educational development (GED) diploma; and
 - (C) has not been:
 - (i) convicted of an act that would constitute a ground for disciplinary sanction under IC 25-1-11;
 - (ii) convicted of a crime that has a direct bearing on the individual's ability to perform competently and fully as a licensee;
 - (iii) listed on a national or state registry of sex offenders; or
 - (iv) the subject of a disciplinary or enforcement action by another state or a local jurisdiction in connection with the performance of home inspections or the licensing or certification of home inspectors.
- (2) Verify the information submitted on the application form.
- (3) Complete a board approved training program or course of study involving the performance of home inspections and the preparation of home inspection reports and pass an examination prescribed or approved by the board.
- (4) Submit to the board a certificate of insurance or other evidence of financial responsibility that is acceptable to the board and that:
 - (A) is issued by an insurance company or other legal entity authorized to transact business in Indiana;
 - (B) provides for general liability coverage of at least one hundred thousand dollars (\$100,000);
 - (C) lists the state as an additional insured;
 - (D) states that cancellation and nonrenewal of the underlying policy or other evidence of financial responsibility is not effective until the board receives at least ten (10) days prior written notice of the cancellation or nonrenewal; and
 - (E) contains any other terms and conditions established by the board.
- (5) Pay a licensing fee established by the board.

(b) An individual applying for a license as a home inspector must apply on a form prescribed and provided by the board.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-5-3 Waiver of licensing requirements

Sec. 3. (a) The other licensing requirements of this chapter may be waived for an individual moving to Indiana from another jurisdiction, and the individual may be granted a license as a home inspector if the individual meets the following requirements:

- (1) The other jurisdiction grants the same privileges to licensees of Indiana as Indiana grants to licensees of that other jurisdiction.
- (2) The individual is licensed in the other jurisdiction.
- (3) The licensing requirements of the other jurisdiction are substantially similar to the requirements of this article.
- (4) The individual states that the individual has studied, is familiar with, and will abide by this article and the rules adopted by the board under this article.

(b) An individual seeking a license as a home inspector under this section must:

- (1) apply on a form prescribed and provided by the board; and
- (2) pay the applicable licensing fee established by the board.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-5-4 Nonresident licensing requirements; file consent

Sec. 4. (a) A nonresident whom the board determines meets the requirements of this article and who files the written consent described in subsection (b) may be licensed as a home inspector in Indiana.

(b) A nonresident applicant shall file with the board a written consent stating that, if licensed:

- (1) the applicant agrees to the commencement of any action arising out of the conduct of the applicant's business in Indiana in the county in which the events giving rise to the cause of action occurred;
- (2) the applicant:
 - (A) agrees to provide to the board the name and address of an agent to receive service of process in Indiana; or
 - (B) consents to the board acting as the applicant's agent for the purpose of receiving service of process, if:
 - (i) an agent's name and address have not been filed with the board; or
 - (ii) the agent's name and address on file with the board are incorrect; and
- (3) the applicant agrees that service of process in accordance with the Indiana Rules of Trial Procedure is proper service and subjects the applicant to the jurisdiction of Indiana courts.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-5-5 Licenses property of board

Sec. 5. All licenses issued by the board remain the property of the board.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-5-6 Notification requirement

Sec. 6. A licensee shall notify the board immediately of any change of:

- (1) name;
- (2) name under which the licensee conducts business; or
- (3) business address.

As added by P.L.145-2003, SEC.7.

Chapter 6. License Renewal

IC 25-20.2-6-1 Expiration of license

Sec. 1. A license for a home inspector issued under this article expires two (2) years after the date of issuance.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-6-2 License renewal

Sec. 2. An individual who applies to renew a license as a licensed home inspector must:

- (1) furnish evidence showing successful completion of the continuing education requirements of this chapter; and
- (2) pay the renewal fee established by the board.

As added by P.L.145-2003, SEC.7.

IC 25-20.2-6-3 Renewal notice; renewal fee

Sec. 3. (a) Renewal notices must be sent in accordance with IC 25-1-2-6(c).

(b) The renewal fee must be paid in accordance with IC 25-1-8-2(d).

As added by P.L. 145-2003, SEC. 7.

IC 25-20.2-6-4 Continuing education requirements

Sec. 4. Before the end of each license period, each licensee must complete the continuing education required by the board. This requirement may not exceed twenty (20) hours per year.

As added by P.L. 145-2003, SEC. 7.

IC 25-20.2-6-5 Adoption of rules concerning continuing education

Sec. 5. (a) The board shall adopt rules concerning the continuing education required for the renewal of a license under this chapter.

(b) The rules must do the following:

- (1) Establish procedures for approving organizations that provide continuing education.
- (2) Establish a fee for each hour of continuing education that is required after a license is issued or renewed.
- (3) Prescribe the content, duration, and organization of continuing education courses that contribute to the general competence of home inspectors.

As added by P.L. 145-2003, SEC. 7.

Chapter 7. Authority of Other Jurisdictions to License Home Inspectors**IC 25-20.2-7-1 "Political subdivision"**

Sec. 1. As used in this chapter, "political subdivision" has the meaning set forth in IC 36-1-2-13.

As added by P.L. 145-2003, SEC. 7.

IC 25-20.2-7-2 Restriction on agency or political subdivision

Sec. 2. An agency or political subdivision of the state (other than the board) may not:

- (1) impose a registration or licensing requirement; or
- (2) charge a license, an employment, or another fee;

on individuals licensed under this article for activities defined in this article.

As added by P.L. 145-2003, SEC. 7.

Chapter 8. Disciplinary Proceedings; Enforcement**IC 25-20.2-8-1 Disciplinary actions**

Sec. 1. The board may take disciplinary actions against or impose sanctions on a licensee under IC 25-1-11 for any of the following:

- (1) Disclosing information concerning the results of a home inspection without the approval of a client or the client's legal representative, except under a court order.
- (2) Accepting compensation for the same service from more than one (1) party without the consent of all interested parties.
- (3) Accepting commissions or allowances, directly or indirectly, from other parties dealing with the licensee's client in connection with any repair work recommended in the licensee's home inspection report.
- (4) Accepting compensation, directly or indirectly, from the licensee's client in connection with any repair work recommended in the licensee's home inspection report.
- (5) Failing to disclose to a client information about a business interest of the licensee that may affect the client in connection with any work for which the licensee is responsible.
- (6) Knowingly making a false or misleading representation about:
 - (A) the condition of a residential dwelling for which the licensee has performed or has contracted to perform a home inspection; or
 - (B) the extent of the services the licensee has performed or will perform.
- (7) Committing a felony in the course of the practice of home inspection or committing any act constituting a violation of IC 25-20.2-5-2(a)(1)(C).
- (8) Violating any provisions of this article or rules adopted by the board under this article.
- (9) Making a false or misleading representation:
 - (A) in a license or renewal application form; or
 - (B) in information provided to the board.
- (10) Failing to pay any fees or fines required by this article.
- (11) Failing to continuously maintain the insurance or other evidence of

financial responsibility required by this article.

(12) Communicating to the public false or misleading information about the type of license held by the licensee.

(13) Engaging in a course of lewd or immoral conduct in connection with the delivery of services to clients.

(14) Failing to complete the continuing education requirements established by the board.

As added by P.L. 145-2003, SEC. 7.

IC 25-20.2-8-2 Disciplinary hearings

Sec. 2. The procedures set forth in IC 4-21.5 govern the board's conduct of disciplinary hearings.

As added by P.L. 145-2003, SEC. 7.

IC 25-20.2-8-3 License suspension

Sec. 3. The board may summarily suspend a license for up to ninety (90) days before a final adjudication or during an appeal of the board's determination if the board finds that the licensee would represent a clear and immediate danger to the public's health, safety, or property if allowed to perform home inspections. The summary suspension may be renewed upon a hearing before the board for up to ninety (90) days.

As added by P.L. 145-2003, SEC. 7.

IC 25-20.2-8-4 Show cause order; cease and desist order

Sec. 4. (a) If the board determines that an individual not licensed under this article is engaged in or believed to be engaged in activities for which a license is required under this article, the board may issue an order to that individual requiring the individual to show cause why the individual should not be ordered to cease and desist from such activities. The show cause order must set forth a date, time, and place for a hearing at which the affected individual may appear and show cause why the individual should not be subject to licensing under this article.

(b) If the board, after a hearing, determines that the activities in which the individual is engaged are subject to licensing under this article, the board may issue a cease and desist order that identifies the individual and describes activities that are the subjects of the order.

(c) A cease and desist order issued under this section is enforceable in circuit courts.

As added by P.L. 145-2003, SEC. 7.

IC 25-20.2-8-5 Criminal violations; amount of fee or compensation added to penalty; separate violations

Sec. 5. (a) An individual who:

- (1) performs or offers to perform home inspections for compensation without being licensed as a home inspector and without being exempt from licensing under law;
- (2) presents as the individual's own the license of another;
- (3) intentionally gives false or materially misleading information to the board or to a board member in connection with licensing matters;
- (4) impersonates another licensee;
- (5) uses an expired, a suspended, a revoked, or an otherwise restricted license; or
- (6) otherwise violates this article;

commits a Class B infraction.

(b) When entering a judgment for an infraction under this section, the court shall add to any penalty imposed the amount of any fee or other compensation earned by the individual in the commission of the infraction.

(c) Each transaction involving activities defined by this article constitutes a separate violation of this section.

As added by P.L. 145-2003, SEC. 7.

IC 25-20.2-8-6 Prove compliance in action to collect fee or other compensation

Sec. 6. In all actions for the collection of a fee or other compensation for performing home inspections, the party seeking relief must allege and prove that, at the time the cause of action arose, the party seeking relief was not in violation of section 5 of this chapter.

As added by P.L. 145-2003, SEC. 7.

IC 25-20.2-8-7 Judicial review

Sec. 7. An individual who applies for a license or a licensee who is aggrieved by an order or a determination of the board is entitled to a judicial review under

IC 4-21.5.

As added by P.L. 145-2003, SEC.7.

IC 25-20.2-8-8 Board legal advisor

Sec. 8. The attorney general shall act as the legal adviser for the board and provide any legal assistance necessary to carry out this article.

As added by P.L. 145-2003, SEC.7.

Chapter 9. Liability and Immunity From Liability

IC 25-20.2-9-1 Statute of limitations

Sec. 1. An action for damages, whether brought in contract or tort or on any other basis, based upon professional services that were rendered or that should have been rendered by a licensed home inspector may not be brought, commenced, or maintained unless the action is filed not more than two (2) years after the date the cause of action accrues.

As added by P.L. 145-2003, SEC.7.

IC 25-20.2-9-2 Immunity from liability if not party to contract

Sec. 2. A licensed home inspector is not liable to a person for damages that arise from an act or omission relating to a home inspection if the person is not a party to the contract under which the home inspection is conducted.

As added by P.L. 145-2003, SEC.7.

IC 25-20.2-9-3 Immunity from liability

Sec. 3. A person who in good faith recommends or endorses a licensed home inspector without compensation, remuneration, rebate, or other form of consideration is not liable for the actions of the licensed home inspector, including errors, omissions, the failure to perform contracted duties of a home inspection, or the failure to meet the standards of performance, report writing standards, or code of ethics established by the board.

As added by P.L. 145-2003, SEC.7.

Non-Code Grandparenting Provisions & Board Member Licensing under Public Law 145-2003

P.L. 145-2003, SECTION 15

(a) As used in this SECTION, "board" refers to the home inspectors licensing board established by IC 25-20.1-3-1, as added by this act.

(b) An individual who performs home inspections after June 30, 2003, does not violate IC 25-20.2-5-1 or IC 25-20.2-8-5(a)(1), both as added by this act, and may not be disciplined or sanctioned for failure to have a home inspector's license if the person obtains a home inspector's license not later than July 1, 2005.

(c) Notwithstanding the requirements of IC 25-20.2-5-2, as added by this act, before July 1, 2005, the board may issue to an individual, upon the individual's application and payment of fees, a home inspector license if the individual:

- (1) meets the requirements of IC 25-20.2-5-2(a), as added by this act, excluding IC 25-20.2-5-2(a)(3);
- (2) has been engaged in the practice of home inspections for at least six (6) months; and
- (3) documents the performance of at least twenty-five (25) home inspections performed for compensation in the previous twelve (12) months or at least one hundred (100) home inspections performed for compensation in the individual's career.

(d) The board may consider and accept the successful completion of equivalent licensing requirements in another state instead of one (1) or more of the requirements of IC 25-20.2-5-2(a), as added by this act.

(e) This SECTION expires on January 1, 2006.

P.L. 145-2003, SECTION 16

(a) As used in this SECTION, "board" refers to the home inspectors licensing board established by IC 25-20.2-3-1, as added by this act.

(b) Before July 1, 2004, the governor shall make the initial appointments to the board. In making each initial appointment, the governor shall indicate the length of the term for which the individual is appointed.

(c) Notwithstanding IC 25-20.2-3-3, as added by this act, the initial terms of office for the seven (7) individuals appointed to the board by the governor are as follows:

- (1) Three (3) members for terms of three (3) years.
- (2) Two (2) members for terms of two (2) years.
- (3) Two (2) members for terms of one (1) year.

(d) The initial terms begin July 1, 2004.

(e) An individual who does not meet all the requirements of IC 25-20.2-5-2(a), as added by this act, may be appointed to the board under IC 25-20.2-3-2(a)(1), as added by this act, if the individual:

- (1) meets the requirements of IC 25-20.2-5-2(a)(1)(A) through IC 25-20.2-5-2(a)(1)(C), as added by this act;
- (2) had been performing home inspections for at least six (6) months immediately before the person's appointment; and
- (3) documents the performance of at least twenty-five (25) home inspections performed for compensation in the previous twelve (12) months or at least one hundred (100) home inspections performed for compensation in the individual's career.

(f) A board member appointed in accordance with subsection (e) must obtain the requisite license in accordance with IC 25-20.2-5-3, as added by this act, on or before July 1, 2005. If a board member does not obtain the requisite license on or before July 1, 2005, the board member shall be considered to have resigned from the board on July 1, 2005, and the governor shall fill the vacancy in accordance with IC 25-20.2-3-3©, as added by this act. If a board member resigns under this SECTION for failure to obtain a home inspector's license, the acts of the board member and the board before July 1, 2005, are legal and valid.

(g) Not later than January 1, 2005, the board shall adopt rules under IC 4-22-2 to carry out this act.

(h) This SECTION expires June 30, 2007.

P.L. 145-2003 SECTION 17

An emergency is declared for this act.

Indiana Code 25-1-11

Chapter 11. Professional Licensing Standards of Practice

IC 25-1-11-1 "Board" defined

Sec. 1. As used in this chapter, "board" means any of the following:

- (1) Indiana board of accountancy (IC 25-2-1-2-1).
- (2) Board of registration for architects and landscape architects (IC 25-4-1-2).
- (3) Indiana auctioneer commission (IC 25-6-1-2).
- (4) State board of barber examiners (IC 25-7-5-1).
- (5) State boxing commission (IC 25-9-1).
- (6) State board of cosmetology examiners (IC 25-8-3-1).
- (7) State board of registration of land surveyors (IC 25-21.5-2-1).
- (8) State board of funeral and cemetery service (IC 25-15-9).
- (9) State board of registration for professional engineers (IC 25-31-1-3).
- (10) Indiana plumbing commission (IC 25-28.5-1-3).
- (11) Indiana real estate commission (IC 25-34.1-2-1).
- (12) Real estate appraiser licensure certification board (IC 25-34.1-8).
- (13) Private detectives licensing board (IC 25-30-1-5.1).
- (14) Manufactured home installer licensing board (IC 25-23.7).

As added by P.L. 214-1993, SEC.1. Amended by P.L. 2-1995, SEC.93; P.L. 234-1995, SEC.5; P.L. 82-2000, SEC.6; P.L. 162-2002, SEC.6.

IC 25-1-11-2 "Practitioner" defined

Sec. 2. As used in this chapter, "practitioner" means a person that holds:

- (1) an unlimited license, certificate, registration, or permit;
- (2) a limited or probationary license, certificate, registration, or permit;
- (3) a temporary license, certificate, registration, or permit;
- (4) an intern permit; or
- (5) an inactive license;

issued by the board regulating a profession.

As added by P.L. 214-1993, SEC.1. Amended by P.L. 236-1995, SEC.1.

IC 25-1-11-3 "License" defined

Sec. 3. As used in this chapter, "license" includes a license, certificate, registration, or permit.

As added by P.L. 214-1993, SEC.1.

IC 25-1-11-4 "Person" defined

Sec. 4. As used in this chapter, "person" means an individual, a partnership, a corporation, or a limited liability company.

As added by P.L. 214-1993, SEC.1. Amended by P.L. 236-1995, SEC.2.

IC 25-1-11-5 Practitioner compliance with professional standards; findings; meriting disciplinary sanctions

Sec. 5. (a) A practitioner shall comply with the standards established by the board regulating a profession. A practitioner is subject to the exercise of the disciplinary sanctions under section 12 of this chapter if, after a hearing, the board finds that:

- (1) a practitioner has:
 - (A) engaged in or knowingly cooperated in fraud or material deception in order to obtain a license to practice, including cheating on a licensing examination;
 - (B) engaged in fraud or material deception in the course of professional services or activities; or
 - (C) advertised services or goods in a false or misleading manner;
- (2) a practitioner has been convicted of a crime that has a direct bearing on the practitioner's ability to continue to practice competently;
- (3) a practitioner has knowingly violated a state statute or rule or federal statute or regulation regulating the profession for which the practitioner is licensed;
- (4) a practitioner has continued to practice although the practitioner has become unfit to practice due to:
 - (A) professional incompetence;
 - (B) failure to keep abreast of current professional theory or practice;
 - (C) physical or mental disability; or
 - (D) addiction to, abuse of, or severe dependency on alcohol or other drugs that endanger the public by impairing a practitioner's ability to practice safely;
- (5) a practitioner has engaged in a course of lewd or immoral conduct in connection with the delivery of services to the public;
- (6) a practitioner has allowed the practitioner's name or a license issued under this chapter to be used in connection with an individual or business who renders services beyond the scope of that individual's or business's training, experience, or competence;
- (7) a practitioner has had disciplinary action taken against the practitioner or the practitioner's license to practice in another state or jurisdiction on grounds similar to those under this chapter;
- (8) a practitioner has assisted another person in committing an act that would constitute a ground for disciplinary sanction under this chapter; or
- (9) a practitioner has allowed a license issued by a board to be:
 - (A) used by another person; or
 - (B) displayed to the public when the license has expired, is inactive, or has been revoked or suspended.

(b) If an applicant or a practitioner has engaged in or knowingly cooperated in fraud or material deception to obtain a license to practice, including cheating on the licensing examination, the board may rescind the license if it has been granted, void the examination or other fraudulent or deceptive material, and prohibit the applicant from reapplying for the license for a length of time established by the board. An applicant who is aggrieved by a decision of the board under this section is entitled to hearing and appeal rights under the Indiana administrative rules and procedures act (IC 4-21.5).

(c) The board may deny licensure to an applicant who has had disciplinary action taken against the applicant or the applicant's license to practice in another state or jurisdiction or who has practiced without a license in violation of the law.

(d) A certified copy of the record of disciplinary action is conclusive evidence of the other jurisdiction's disciplinary action under subsection (a)(7) or subsection (c).

As added by P.L.214-1993, SEC.1. Amended by P.L.84-1998, SEC.6; P.L.113-1999, SEC.1.

IC 25-1-11-7 Auctioneers; grounds for disciplinary sanctions

Sec. 7. A practitioner licensed to practice auctioneering is subject to the disciplinary sanctions under section 12 of this chapter if, after a hearing, the board finds that the practitioner has failed to:

- (1) account and to make payment under IC 25-6.1-6-2; or
- (2) keep the funds of others separate from the practitioner's own private accounts.

As added by P.L.214-1993, SEC.1.

IC 25-1-11-9.5 Investigations; summary review of complaint against practitioner

Sec. 9.5. (a) On receipt of a complaint or an information alleging that a person licensed under this chapter has engaged in or is engaging in a practice

that jeopardizes the public health, safety, or welfare, the board shall initiate an investigation against the person.

(b) Any complaint filed with the office of the attorney general alleging a violation of this chapter shall be referred to the board for summary review and for its general information and any authorized action at the time of the filing.

(c) The board shall assign one (1) or more of its members to conduct a fact finding investigation as the board considers proper in relation to the complaint.
As added by P.L.237-1995, SEC.1.

IC 25-1-11-10 Physical and mental examination of practitioner

Sec. 10. The board may order a practitioner to submit to a reasonable physical or mental examination if the practitioner's physical or mental capacity to practice safely and competently is at issue in a disciplinary proceeding.

As added by P.L.214-1993, SEC.1. Amended by P.L.178-1997, SEC.1.

IC 25-1-11-11 Refusal of physical or mental examination; summary suspension

Sec. 11. Failure to comply with a board order to submit to a physical or mental examination makes a practitioner liable to summary suspension under section 13 of this chapter.

As added by P.L.214-1993, SEC.1.

IC 25-1-11-12 Sanctions for violations

Sec. 12. (a) The board may impose any of the following sanctions, singly or in combination, if the board finds that a practitioner is subject to disciplinary sanctions under sections 5 through 9 of this chapter:

- (1) Permanently revoke a practitioner's license.
- (2) Suspend a practitioner's license.
- (3) Censure a practitioner.
- (4) Issue a letter of reprimand.
- (5) Place a practitioner on probation status and require the practitioner to:

- (A) report regularly to the board upon the matters that are the basis of probation;
- (B) limit practice to those areas prescribed by the board;
- (C) continue or renew professional education approved by the board until a satisfactory degree of skill has been attained in those areas that are the basis of the probation; or
- (D) perform or refrain from performing any acts, including community restitution or service without compensation, that the board considers appropriate to the public interest or to the rehabilitation or treatment of the practitioner.

- (6) Assess a civil penalty against the practitioner for not more than one thousand dollars (\$1,000) for each violation listed in sections 5 through 9 of this chapter except for a finding of incompetency due to a physical or mental disability.

(b) When imposing a civil penalty under subsection (a)(6), the board shall consider a practitioner's ability to pay the amount assessed. If the practitioner fails to pay the civil penalty within the time specified by the board, the board may suspend the practitioner's license without additional proceedings. However, a suspension may not be imposed if the sole basis for the suspension is the practitioner's inability to pay a civil penalty.

(c) The board may withdraw or modify the probation under subsection (a)(5) if the board finds after a hearing that the deficiency that required disciplinary action has been remedied or that changed circumstances warrant a modification of the order.

As added by P.L.214-1993, SEC.1. Amended by P.L.32-2000, SEC.12.

IC 25-1-11-13 Summary suspension of practitioners

Sec. 13. The board may summarily suspend a practitioner's license for ninety (90) days before a final adjudication or during the appeals process if the board finds that a practitioner represents a clear and immediate danger to the public's health, safety, or property if the practitioner is allowed to continue to practice. The summary suspension may be renewed upon a hearing before the board, and each renewal may be for not more than ninety (90) days.

As added by P.L.214-1993, SEC.1. Amended by P.L.178-1997, SEC.2.

IC 25-1-11-14 Reinstatement of suspended license

Sec. 14. The board may reinstate a license that has been suspended under this chapter if, after a hearing, the board is satisfied that the applicant is able to practice with reasonable skill, safety, and competency to the public. As a

condition of reinstatement, the board may impose disciplinary or corrective measures authorized under this chapter.
As added by P.L.214-1993, SEC.1. Amended by P.L.178-1997, SEC.3.

IC 25-1-11-15 Reinstatement of revoked license

Sec. 15. The board may not reinstate a license that has been revoked under this chapter. An individual whose license has been revoked under this chapter may not apply for a new license until seven (7) years after the date of revocation.
As added by P.L.214-1993, SEC.1.

IC 25-1-11-16 Consistency of sanctions

Sec. 16. The board shall seek to achieve consistency in the application of sanctions authorized in this chapter. Significant departures from prior decisions involving similar conduct must be explained in the board's findings or orders.
As added by P.L.214-1993, SEC.1.

IC 25-1-11-17 Surrender of practitioner license

Sec. 17. A practitioner may petition the board to accept the surrender of the practitioner's license instead of having a hearing before the board. The practitioner may not surrender the practitioner's license without the written approval of the board, and the board may impose any conditions appropriate to the surrender or reinstatement of a surrendered license.
As added by P.L.214-1993, SEC.1.

IC 25-1-11-18 Costs; practitioners subjected to sanctions

Sec. 18. A practitioner who has been subjected to disciplinary sanctions may be required by a board to pay the costs of the proceeding. The practitioner's ability to pay shall be considered when costs are assessed. If the practitioner fails to pay the costs, a suspension may not be imposed solely upon the practitioner's inability to pay the amount assessed. These costs are limited to costs for the following:

- (1) Court reporters.
- (2) Transcripts.
- (3) Certification of documents.
- (4) Photo duplication.
- (5) Witness attendance and mileage fees.
- (6) Postage.
- (7) Expert witnesses.
- (8) Depositions.
- (9) Notarizations.

As added by P.L.214-1993, SEC.1.

Rules of the Home Inspectors Licensing Board

Title 878 Indiana Administrative Code

ARTICLE 1. GENERAL PROVISIONS

Rule 1. Definitions

878 IAC 1-1-1 Applicability

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 1. The definitions in this rule apply throughout this article.

(Home Inspectors Licensing Board; 878 IAC 1-1-1; filed Apr 18, 2005, 12:15 p.m.:
__ IR __)

878 IAC 1-1-2 "Alarm systems" defined

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 2. "Alarm systems" means warning devices, installed or free-standing, including, but not limited to, the following:

- (1) Carbon monoxide detectors.
- (2) Flue gas and other spillage detectors.
- (3) Security equipment.
- (4) Ejector pumps.
- (5) Smoke alarms.

(Home Inspectors Licensing Board; 878 IAC 1-1-2; filed Apr 18, 2005, 12:15 p.m.:
__ IR __)

878 IAC 1-1-3 "Architectural service" defined

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 3. "Architectural service" means any practice involving the art and science of building design for construction of any structure or grouping of structures and the use of space within and surrounding the structures or the design for construction, including, but not specifically limited to, the following:

- (1) Schematic design.
- (2) Design development.
- (3) Preparation of construction contract documents.
- (4) Administration of the construction contract.

(Home Inspectors Licensing Board; 878 IAC 1-1-3; filed Apr 18, 2005, 12:15 p.m.:
__ IR __)

878 IAC 1-1-4 "Compensation" defined

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 4. "Compensation" means direct or indirect payment, including the expectation of payment whether or not actually received.

(Home Inspectors Licensing Board; 878 IAC 1-1-4; filed Apr 18, 2005, 12:15 p.m.:
__ IR __)

878 IAC 1-1-5 "Component" defined

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 5. "Component" means a readily accessible and observable aspect of a system.

(Home Inspectors Licensing Board; 878 IAC 1-1-5; filed Apr 18, 2005, 12:15 p.m.:
__ IR __)

878 IAC 1-1-6 "Decorative" defined

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 6. "Decorative" means an item that is not required for the operation of the essential systems and components of a home.

(Home Inspectors Licensing Board; 878 IAC 1-1-6; filed Apr 18, 2005, 12:15 p.m.:
__ IR __)

878 IAC 1-1-7 "Dismantle" defined

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 7. "Dismantle" means to take apart or remove any component, device, or piece of equipment that would not be taken apart or removed by a homeowner in the course of normal and routine homeowner maintenance.

(Home Inspectors Licensing Board; 878 IAC 1-1-7; filed Apr 18, 2005, 12:15 p.m.:
__ IR __)

878 IAC 1-1-8 "Engineering service" defined

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 8. "Engineering service" means any professional service or creative work requiring engineering education, training, and experience and the application of special knowledge of the mathematical, physical, and engineering sciences to such professional service or creative work as:

- (1) consultation;
- (2) investigation;
- (3) evaluation;
- (4) planning;
- (5) design; and
- (6) supervision;

of construction for the purpose of assuring compliance with the specifications and design, in conjunction with structures, buildings, machines, equipment, works, and processes.

(Home Inspectors Licensing Board; 878 IAC 1-1-8; filed Apr 18, 2005, 12:15 p.m.:
__ IR __)

878 IAC 1-1-9 "Further evaluation" defined

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 9. "Further evaluation" means examination and analysis by a qualified professional, tradesman, or service technician beyond that provided by the home inspection.

(Home Inspectors Licensing Board; 878 IAC 1-1-9; filed Apr 18, 2005, 12:15 p.m.:
__ IR __)

878 IAC 1-1-10 "Installed" defined

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 10. "Installed" means attached such that removal requires tools.

(Home Inspectors Licensing Board; 878 IAC 1-1-10; filed Apr 18, 2005, 12:15
p.m.: __ IR __)

878 IAC 1-1-11 "Normal operating controls" defined

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 11. "Normal operating controls" means devices, such as thermostats, switches, or valves, intended to be operated by the homeowner.

(Home Inspectors Licensing Board; 878 IAC 1-1-11; filed Apr 18, 2005, 12:15
p.m.: __ IR __)

878 IAC 1-1-12 "Readily accessible" defined

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 12. "Readily accessible" means available for visual inspection without requiring:

- (1) moving of personal property;
- (2) dismantling;
- (3) destructive measures; or
- (4) any action that will likely involve risk to persons or property.

(Home Inspectors Licensing Board; 878 IAC 1-1-12; filed Apr 18, 2005, 12:15
p.m.: __ IR __)

878 IAC 1-1-13 "Readily openable access panel" defined

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 13. "Readily openable access panel" means a panel provided for homeowner inspection and maintenance that:

- (1) is within normal reach;
- (2) can be removed by one (1) person; and
- (3) is not sealed in place.

(Home Inspectors Licensing Board; 878 IAC 1-1-13; filed Apr 18, 2005, 12:15
p.m.: __ IR __)

878 IAC 1-1-14 "Recreational facilities" defined

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 14. "Recreational facilities" means the following:

- (1) Spas.
- (2) Saunas.
- (3) Steam baths.
- (4) Swimming pools.
- (5) Exercise, entertainment, athletic, playground, or other similar

equipment and associated accessories.

(Home Inspectors Licensing Board; 878 IAC 1-1-14; filed Apr 18, 2005, 12:15
p.m.: __ IR __)

878 IAC 1-1-15 "Report" defined

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2-2-7

Sec. 15. "Report" means to communicate, in writing, on all areas required by IC 25-20.2-2-7.

(Home Inspectors Licensing Board; 878 IAC 1-1-15; filed Apr 18, 2005, 12:15
p.m.: __ IR __)

878 IAC 1-1-16 "Representative number" defined

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 16. "Representative number" means one (1) component:

- (1) per room for multiple similar interior components, such as windows and electric outlets; or
- (2) on each side of the building for multiple similar exterior components.

(Home Inspectors Licensing Board; 878 IAC 1-1-16; filed Apr 18, 2005, 12:15
p.m.: __ IR __)

878 IAC 1-1-17 "Roof drainage system" defined

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 17. "Roof drainage system" means components used to carry water off a roof and away from a building.

(Home Inspectors Licensing Board; 878 IAC 1-1-17; filed Apr 18, 2005, 12:15
p.m.: __ IR __)

878 IAC 1-1-18 "Shut down" defined

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 18. "Shut down" means a state in which a system or component cannot be operated by normal operating controls.

(Home Inspectors Licensing Board; 878 IAC 1-1-18; filed Apr 18, 2005, 12:15
p.m.: __ IR __)

878 IAC 1-1-19 "Significantly deficient" defined

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 19. "Significantly deficient" means unsafe or not functioning.

(Home Inspectors Licensing Board; 878 IAC 1-1-19; filed Apr 18, 2005, 12:15
p.m.: __ IR __)

878 IAC 1-1-20 "Solid fuel burning appliances" defined

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 20. "Solid fuel burning appliances" means a hearth and fire chamber or similar prepared place in which a fire may be built and that is built in conjunction with a chimney or a listed assembly of a fire chamber, its chimney, and related factory-made parts designed for unit assembly without requiring field construction.

(Home Inspectors Licensing Board; 878 IAC 1-1-20; filed Apr 18, 2005, 12:15
p.m.: __ IR __)

878 IAC 1-1-21 "Structural component" defined

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 21. "Structural component" means a component that supports nonvariable forces or weights and variable forces or weights.

(Home Inspectors Licensing Board; 878 IAC 1-1-21; filed Apr 18, 2005, 12:15
p.m.: __ IR __)

878 IAC 1-1-22 "System" defined

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 22. "System" means a combination of interacting or interdependent components assembled to carry out one (1) or more functions.

(Home Inspectors Licensing Board; 878 IAC 1-1-22; filed Apr 18, 2005, 12:15
p.m.: __ IR __)

878 IAC 1-1-23 "Technically exhaustive" defined

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 23. "Technically exhaustive" means an investigation that involves dismantling, the extensive use of advanced techniques, measurements, instruments, testing, calculations, or other means.

(Home Inspectors Licensing Board; 878 IAC 1-1-23; filed Apr 18, 2005, 12:15
p.m.: __ IR __)

878 IAC 1-1-24 "Underfloor crawlspace" defined

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 24. "Underfloor crawlspace" means the area within the confines of the foundation and between the ground and the underside of the floor.

(Home Inspectors Licensing Board; 878 IAC 1-1-24; filed Apr 18, 2005, 12:15
p.m.: __ IR __)

878 IAC 1-1-25 "Unsafe" defined

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 25. "Unsafe" means a condition in a readily accessible, installed system or component that is judged to be a significant risk of personal injury during normal, day-to-day use. The risk may be due to:

- (1) damage;
 - (2) deterioration;
 - (3) improper installation; or
 - (4) a change in accepted residential construction standards.
- (Home Inspectors Licensing Board; 878 IAC 1-1-25; filed Apr 18, 2005, 12:15 p.m.: __ IR __)

Rule 2. Minimum Standards of Competent Practice and Code of Ethics

878 IAC 1-2-1 Minimum standards of competent performance of home inspections

Authority: IC 25-20.2-3-8; IC 25-20.2-3-9

Affected: IC 25-20.2

Sec. 1. (a) The competent performance of home inspections requires remaining current with generally accepted developments within the area of specialization and the development and exercise of judgment as to when to apply specific procedures in a reasonable, effective, efficient, and economical manner.

(b) The competent performance of home inspections includes acting within generally accepted ethical principles and guidelines of the profession and maintaining an awareness of personal and professional limitations.

(c) Purpose and scope are as follows:

(1) Licensees shall:

(A) inspect:

(i) readily accessible systems and components of homes listed in these minimum standards of competent performance; and

(ii) installed systems and components of homes listed in these minimum standards of competent performance; and

(B) report in writing, as required by IC 25-20.2-2-7:

(i) on those systems and components inspected that, in the professional opinion of the inspector, are significantly deficient or are near the end of their service lives;

(ii) a reason why, if not self-evident, the system or component is significantly deficient or near the end of its service life;

(iii) the licensee's recommendations to correct or monitor the reported deficiency; and

(iv) on any systems and components designated for inspection in these minimum standards of competent performance that were present at the time of the home inspection but were not inspected and a reason they were not inspected; and

(C) identify on the written report:

(i) licensee's name;

(ii) licensee's Indiana license number;

(iii) address of inspected residential dwelling;

(iv) name of client for whom the inspection is being prepared; and

(v) date of inspection.

(2) These minimum standards of competent performance are not intended to limit licensees from:

(A) including other inspection services, systems, or components in addition to those required by these minimum standards of competent performance;

(B) specifying repairs, provided the licensee is appropriately qualified and willing to do so; or

(C) excluding systems and components from the inspection if requested by the client.

(d) Structural systems requirements are as follows:

(1) Licensees shall:

(A) inspect:

(i) the structural components including foundation and framing; and

(ii) by probing a representative number of structural components where deterioration is suspected or where clear indications of possible deterioration exist, but probing is not required when probing would damage any finished surface or where no deterioration is visible; and

(B) describe:

(i) the foundation and report the methods used to inspect the underfloor crawlspace;

(ii) the floor structure;

(iii) the wall structure;

(iv) the ceiling structure; and

(v) the roof structure and report the methods used to inspect the attic.

(2) Licensees are not required to:

(A) provide any engineering service or architectural service; or

(B) offer an opinion as to the adequacy of any structural system or component.

(e) Exteriors requirements are as follows:

(1) Licensees shall:

(A) inspect:

(i) the exterior wall covering, flashing, and trim;

(ii) all exterior doors;

(iii) attached decks, balconies, stoops, steps, porches, and their associated railings;

(iv) the eaves, soffits, and fascias where accessible from the ground level;

(v) the vegetation, grading, surface drainage, and retaining walls on the property when any of these are likely to adversely affect the building; and

(vi) walkways, patios, and driveways leading to dwelling entrances; and

(B) describe the exterior wall covering.

(2) Licensees are not required to inspect:

(A) screening, shutters, awnings, and similar seasonal accessories;

(B) fences;

(C) geological, geotechnical, or hydrological conditions;

(D) recreational facilities;

(E) outbuildings;

(F) seawalls, breakwalls, and docks; or

(G) erosion control and earth stabilization measures.

(f) Roof systems requirements are as follows:

(1) Licensees shall:

(A) inspect:

(i) the roof covering;

(ii) the roof drainage systems;

(iii) the flashings; and

(iv) the skylights, chimneys, and roof penetrations; and

(B) describe the roof covering and report the methods used to inspect the roof.

(2) Licensees are not required to inspect:

(A) antennae;

(B) interiors of flues or chimneys that are not readily accessible; or

(C) other installed accessories.

(g) Plumbing systems requirements are as follows:

(1) Licensees shall:

(A) inspect:

(i) the interior water supply and distribution systems including all fixtures and faucets;

(ii) the drain, waste, and vent systems including all fixtures;

(iii) the water heating equipment;

(iv) the vent systems, flues, and chimneys;

(v) the fuel storage and fuel distribution systems; and

(vi) the drainage sumps, sump pumps, and related piping; and

(B) describe:

(i) the water supply, drain, waste, and vent piping materials;

(ii) the water heating equipment including the energy source; and

(iii) the location of main water and main fuel shut-off valves.

(2) Licensees are not required to:

(A) inspect:

(i) the clothes washing machine connections;

(ii) the interiors of flues or chimneys that are not readily accessible;

(iii) wells, well pumps, or water storage related equipment;

(iv) water conditioning systems;

(v) solar water heating systems;

(vi) fire and lawn sprinkler systems; or

(vii) private waste disposal systems;

(B) determine:

(i) whether water supply and waste disposal systems are public or private; or

- (ii) the quantity or quality of the water supply; or
 - (C) operate safety valves or shut-off valves.
- (h) Electrical systems requirements are as follows:
 - (1) Licensees shall:
 - (A) inspect:
 - (i) the service drop;
 - (ii) the service entrance conductors, cables, and raceways;
 - (iii) the service equipment and main disconnects;
 - (iv) the service grounding;
 - (v) the interior components of service panels and subpanels;
 - (vi) the conductors;
 - (vii) the overcurrent protection devices;
 - (viii) a representative number of installed lighting fixtures, switches, and receptacles; and
 - (ix) the ground fault circuit interrupters;
 - (B) describe:
 - (i) the amperage and voltage rating of the service;
 - (ii) the location of main disconnect or disconnects and subpanels; and
 - (iii) the wiring methods; and
 - (C) report on the:
 - (i) presence of solid conductor aluminum branch circuit wiring; and
 - (ii) absence of smoke detectors.
 - (2) Licensees are not required to:
 - (A) inspect:
 - (i) the remote control devices unless the device is the only control device;
 - (ii) the alarm systems and components;
 - (iii) the low voltage wiring, systems, and components; or
 - (iv) the ancillary wiring, systems, and components not a part of the primary electrical power distribution system; or
 - (B) measure amperage, voltage, or impedance.
- (i) Heating systems requirements are as follows:
 - (1) Licensees shall:
 - (A) inspect:
 - (i) the installed heating equipment; and
 - (ii) the vent systems, flues, and chimneys; and
 - (B) describe:
 - (i) the energy source; and
 - (ii) the heating method by its distinguishing characteristics.
 - (2) Licensees are not required to:
 - (A) inspect:
 - (i) the interiors of flues or chimneys that are not readily accessible;
 - (ii) the heat exchanger;
 - (iii) the humidifier or dehumidifier;
 - (iv) the electronic air filter; or
 - (v) the solar space heating system; or
 - (B) determine heat supply adequacy or distribution balance.
- (j) Air conditioning systems requirements are as follows:
 - (1) Licensees shall:
 - (A) inspect the installed central and through-wall cooling equipment; and
 - (B) describe:
 - (i) the energy source; and
 - (ii) the cooling method by its distinguishing characteristics.
 - (2) Licensees are not required to:
 - (A) inspect electronic air filters; or
 - (B) determine cooling supply adequacy or distribution balance.
- (k) Interiors requirements are as follows:
 - (1) Licensees shall inspect:
 - (A) the walls, ceilings, and floors;
 - (B) the steps, stairways, and railings;
 - (C) the countertops and a representative number of installed cabinets;
 - (D) a representative number of doors and windows; and
 - (E) garage doors and garage door operations.
 - (2) Licensees are not required to inspect:
 - (A) the paint, wallpaper, and other finish treatments;
 - (B) the carpeting;

- (C) the window treatments;
 - (D) the central vacuum systems;
 - (E) the household appliances; or
 - (F) recreational facilities.
- (l) Insulation and ventilation requirements are as follows:
 - (1) Licensees shall:
 - (A) inspect:
 - (i) the insulation and vapor retarders in unfinished spaces;
 - (ii) the ventilation of attics and foundation areas; and
 - (iii) the mechanical ventilation systems; and
 - (B) describe:
 - (i) the insulation and vapor retarders in unfinished spaces; and
 - (ii) the absence of insulation in unfinished spaces at conditioned surfaces.
 - (2) Licensees are not required to:
 - (A) disturb insulation or vapor retarders; or
 - (B) determine indoor air quality.
- (m) Fireplaces and solid fuel burning appliances requirements are as follows:
 - (1) Licensees shall:
 - (A) inspect:
 - (i) the system components; and
 - (ii) the vent systems, flues, and chimneys; and
 - (B) describe:
 - (i) the fireplaces and solid fuel burning appliances; and
 - (ii) the chimneys.
 - (2) Licensees are not required to:
 - (A) inspect:
 - (i) the interiors of flues or chimneys;
 - (ii) the firescreens and doors;
 - (iii) the seals and gaskets;
 - (iv) the automatic fuel feed devices;
 - (v) the mantels and fireplace surrounds;
 - (vi) the combustion make-up air devices; or
 - (vii) the heat distribution assists whether gravity controlled or fan assisted;
 - (B) ignite or extinguish fires;
 - (C) determine draft characteristics; or
 - (D) move fireplace inserts or stoves or firebox content.
- (n) General limitations are as follows:
 - (1) Inspections performed in accordance with these minimum standards of competent performance:
 - (A) are not technically exhaustive; and
 - (B) will not identify concealed conditions or latent defects.
 - (2) These minimum standards of competent performance are applicable to buildings with five or fewer dwelling units and their garages or carports.
- (o) General exclusions are as follows:
 - (1) Licensees are not required to perform any action or make any determination unless specifically stated in these minimum standards of competent performance, except as may be required by lawful authority.
 - (2) Licensees are not required to determine any of the following:
 - (A) The conditions of systems and components that are not readily accessible.
 - (B) The remaining life of any system or component.
 - (C) The strength, adequacy, effectiveness, or efficiency of any system or component.
 - (D) The causes of any condition or deficiency.
 - (E) The methods, materials, or costs of corrections.
 - (F) Future conditions including, but not limited to, failure of systems and components.
 - (G) The suitability of the property for any specialized use.
 - (H) Compliance with regulatory requirements, such as codes, regulations, laws, or ordinances.
 - (I) The market value of the property or its marketability.
 - (J) The advisability of the purchase of the property.
 - (K) The presence of potentially hazardous plants or animals including, but not limited to, wood destroying organisms or diseases harmful to humans.
 - (L) The presence of any environmental hazards including, but not limited to, toxins, carcinogens, noise, and contaminants in soil, water, and air.

- (M) The effectiveness of any system installed or methods utilized to control or remove suspected hazardous substances.
- (N) The acoustical properties of any system or component.
- (3) Licensees are not required to:
 - (A) offer or perform:
 - (i) any act or service contrary to law;
 - (ii) engineering services; or
 - (iii) work in any trade or any professional service other than home inspection; or
 - (B) offer warranties or guarantees of any kind.
- (4) Licensees are not required to operate:
 - (A) any system or component that:
 - (i) is shut down or otherwise inoperable; or
 - (ii) does not respond to normal operating controls; or
 - (B) shut-off valves.
- (5) Licensees are not required to enter:
 - (A) any area that will, in the opinion of the licensee, likely be dangerous to the licensee or other persons or damage the property or its systems and components; or
 - (B) the underfloor crawlspaces or attics that are not readily accessible.
- (6) Licensees are not required to inspect:
 - (A) underground items including, but not limited to, underground storage tanks or other underground indications of their presence, whether abandoned or active;
 - (B) systems or components that are not installed;
 - (C) decorative items;
 - (D) systems or components located in areas that are not entered in accordance with these minimum standards of competent performance;
 - (E) detached structures other than garages and carports; or
 - (F) common elements or common areas in multiunit housing, such as condominium properties or cooperative housing.
- (7) Licensees are not required to:
 - (A) perform any procedure or operation that will, in the opinion of the licensee, likely be dangerous to the licensee or other persons or damage the property or its systems or components;
 - (B) move:
 - (i) suspended ceiling tiles;
 - (ii) personal property;
 - (iii) furniture;
 - (iv) equipment;
 - (v) plants;
 - (vi) soil;
 - (vii) snow;
 - (viii) ice; or
 - (ix) debris; or
 - (C) dismantle any system or component, except as explicitly required by these minimum standards of competent performance.

(Home Inspectors Licensing Board; 878 IAC 1-2-1; filed Apr 18, 2005, 12:15 p.m.:
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878 IAC 1-2-2 Code of ethics for home inspectors

Authority: IC 25-20.2-3-8; IC 25-20.2-3-9

Affected: IC 25-20.2

Sec. 2. (a) Integrity, honesty, and objectivity are fundamental principles embodied in this code of ethics, which sets forth obligations of ethical conduct for the home inspection profession. The home inspectors licensing board has adopted this code of ethics to provide high ethical standards to safeguard the public and the profession.

- (b) Licensees shall:
 - (1) comply with this code of ethics;
 - (2) avoid association with any enterprise whose practices violate this code of ethics;
 - (3) strive to uphold, maintain, and improve the integrity, reputation, and practice of the home inspection profession; and
 - (4) avoid conflicts of interest or activities that compromise, or appear to compromise, professional independence, objectivity, or inspection integrity.
- (c) Licensees shall not:
 - (1) inspect properties:

- (A) for compensation in which they have, or expect to have, a financial interest; or
- (B) under contingent arrangements whereby any compensation or future referrals are dependent on reported findings or on the sale of property;
- (2) directly or indirectly compensate realty agents, or other parties having a financial interest in closing or settlement of real estate transactions, for the referral of inspections of or inclusion on a list of recommended inspectors, preferred providers, or similar arrangements;
- (3) receive compensation for an inspection from more than one (1) party unless agreed to by the client or clients;
- (4) accept compensation, directly or indirectly, for recommending contractors, services, or products to inspection clients or other parties having an interest in inspected properties; or
- (5) repair, replace, or upgrade, for compensation, systems or components covered by the minimum standards of competent performance found in section 1 of this rule for one (1) year after the inspection.
- (d) Licensees shall:
 - (1) act in good faith toward each client and other interested parties;
 - (2) perform services and express opinions based on genuine conviction and only within their areas of education, training, or experience; and
 - (3) be objective in their reporting and not knowingly understate or overstate the significance of reported conditions.
- (e) Licensees shall not disclose inspection results or client information without client approval. Licensees, at their discretion, may disclose observed immediate safety hazards to occupants exposed to such hazards when feasible.
- (f) Licensees shall avoid activities that may harm the public, discredit themselves, or reduce public confidence in their profession.
- (g) Advertising, marketing, and promotion of licensees services or qualifications shall not be fraudulent, false, deceptive, or misleading.
- (h) Licensees shall report substantive and willful violations of:
 - (1) this code of ethics; and
 - (2) the minimum standards of competent performance found in section 1 of this rule.

(Home Inspectors Licensing Board; 878 IAC 1-2-2; filed Apr 18, 2005, 12:15 p.m.:
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Rule 3. Fees and License Requirements

878 IAC 1-3-1 Fees

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

- Sec. 1. (a) Candidates for examination shall pay the examination fee directly to the examination service.
- (b) The application/issuance fee for a license to practice as a home inspector shall be four hundred fifty dollars (\$450).
- (c) The fee for renewal of license to practice as a home inspector shall be four hundred dollars (\$400) biennially.
- (d) The penalty fee for late renewal of a license to practice as a home inspector shall be fifty dollars (\$50).
- (e) The fee for reinstating a retired license shall be four hundred dollars (\$400).
- (f) The application fee for approval as a sponsor of continuing education shall be five hundred dollars (\$500).
- (g) The renewal fee for approval to sponsor continuing education shall be five hundred dollars (\$500) biennially.
- (h) The application fee for approval as a precursing course provider shall be five hundred dollars (\$500).
- (i) The renewal fee for approval to provide precursing courses shall be five hundred dollars (\$500) biennially.
- (j) The fee for verification of licensure to another state or jurisdiction shall be ten dollars (\$10).
- (k) The fee for a duplicate wall certificate shall be ten dollars (\$10).
- (l) All fees are nonrefundable and nontransferable.

(Home Inspectors Licensing Board; 878 IAC 1-3-1; filed Apr 18, 2005, 12:15 p.m.:
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878 IAC 1-3-2 Precursing course requirements

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 2. (a) Applicants for licensure must complete no fewer than sixty (60) hours with a minimum of forty (40) hours of classroom training and a minimum of twelve (12) hours of practical experience provided by a board approved preclicensing course provider.

(b) As used in subsection (a), "practical experience" means experience obtained through either on-site inspection work or experience obtained in a lab setting that includes hands-on or visual defect recognition of building systems or components.

(c) The required course must include training in the following areas:

- (1) Heating systems.
- (2) Cooling systems.
- (3) Electrical systems.
- (4) Plumbing systems.
- (5) Structural components.
- (6) Foundations.
- (7) Roof coverings.
- (8) Exterior and interior.
- (9) Indiana licensure law and report writing.

(Home Inspectors Licensing Board; 878 IAC 1-3-2; filed Apr 18, 2005, 12:15 p.m.:
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878 IAC 1-3-3 Examination requirement

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 3. Applicants for licensure shall be required to pass the National Home Inspector Examination as provided by the Examination Board of Professional Home Inspectors.

(Home Inspectors Licensing Board; 878 IAC 1-3-3; filed Apr 18, 2005, 12:15 p.m.:
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878 IAC 1-3-4 License renewal

Authority: IC 25-20.2-3-8

Affected: IC 25-1-2; IC 25-1-12; IC 25-20.2

Sec. 4. (a) The renewal process is governed by IC 25-1-2 as the same may be amended from time to time.

(b) Extensions of time to renew due to military service are governed by IC 25-1-12 as the same may be amended or recodified.

(c) It is the responsibility of the licensee to notify the Indiana professional licensing agency of an address change.

(d) If a license has been expired for less than two (2) years, the licensee may renew the license by meeting the following requirements:

- (1) File a renewal application provided by the board.
- (2) Pay the current renewal fee established in section 1 of this rule.
- (3) Pay the penalty fee for late renewal established in section 1 of this rule.
- (4) Submit a detailed letter of explanation to the board as to why the license has lapsed.
- (5) Submit proof of having met the continuing education requirements for one (1) renewal cycle within the previous twenty-four (24) months.
- (6) Make a personal appearance before the board, as the board in its discretion may require.
- (7) Pass the national examination established in section 3 of this rule, as the board in its discretion may require.

(e) If a license has been expired for more than two (2) years, the licensee may renew the license by meeting the following requirements:

- (1) File a renewal application provided by the board.
- (2) Pay the current renewal fee established in section 1 of this rule.
- (3) Pay the penalty fee for late renewal established in section 1 of this rule.
- (4) Submit a detailed letter of explanation to the board as to why the license has lapsed.
- (5) Submit proof of having met the continuing education requirements for one (1) renewal cycle within the previous twenty-four (24) months.
- (6) If the licensee was granted initial licensure under the provisions of P.L.145-2003, SECTION 15, the licensee must complete a board approved preclicensing course that meets the requirements of section 2 of this rule.
- (7) Pass the required national examination established in section 3 of this rule.
- (8) Make a personal appearance before the board, as the board in its discretion may require.

(Home Inspectors Licensing Board; 878 IAC 1-3-4; filed Apr 18, 2005, 12:15 p.m.:
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878 IAC 1-3-5 Licensure retirement

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 5. (a) An individual who is licensed as a home inspector and who would like to retire the license shall notify the board, in writing, when the individual retires from practice.

(b) An individual who has placed his or her license in retirement may not practice as a home inspector until the license has been reinstated by the board.

(c) In order to reinstate a retired license, an individual shall do the following:

- (1) Complete a retirement reinstatement application, which must be approved by the board.
- (2) Pay a reinstatement fee established under section 1 of this rule.
- (3) Submit proof of continuing education requirements, as outlined by the board, depending on the number of years the license has been in retirement as follows:

(A) Zero (0) to three (3) years, sixteen (16) hours of continuing education shall be required and must be completed within twelve (12) months before the petition for reinstatement.

(B) Three (3) to six (6) years, thirty-two (32) hours of continuing education shall be required and must be completed within twenty-four (24) months before the petition for reinstatement.

(C) Six (6) years or more shall require board determination of the continuing education needed and the licensee must pass the examination required under section 3 of this rule.

(D) Retirement years shall be calculated from the receipt of request to retire the license until reinstatement of the license.

(Home Inspectors Licensing Board; 878 IAC 1-3-5; filed Apr 18, 2005, 12:15 p.m.:
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878 IAC 1-3-6 Display of license

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 6. An individual who is licensed as a home inspector shall:

- (1) display the license or a clear copy of the license at each location where the home inspector conducts business; and
- (2) present, upon the request of any client, a pocket card license that indicates the license is active and in good standing.

(Home Inspectors Licensing Board; 878 IAC 1-3-6; filed Apr 18, 2005, 12:15 p.m.:
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Rule 4. Preclicensing Course Providers

878 IAC 1-4-1 Approval by board

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 1. No preclicensing course provider shall conduct, solicit, or accept student enrollment for a home inspector course as prescribed in this rule without approval of the provider by the board.

(Home Inspectors Licensing Board; 878 IAC 1-4-1; filed Apr 18, 2005, 12:15 p.m.:
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878 IAC 1-4-2 Application for preclicensing course approval; requirements and content

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 2. (a) Any course provider seeking approval of a home inspector's preclicensing course shall:

- (1) make written application for approval; and
- (2) submit such documents, statements, and forms as required by this rule.

(b) Applicants for approval of a home inspector's preclicensing course shall provide the board with the following:

- (1) The name and address of the school's owner.
- (2) A list of all instructors who will be teaching the course and include evidence to indicate that these instructors have demonstrated competence in the area of home inspection education for which the instructor will be providing instruction.
- (3) A statement of objectives, which the course should achieve for its participants.

(4) A statement explaining how the provider intends to provide for the following:

- (A) Adequate administration of the course, including a responsible person to coordinate and administer the course.
- (B) Maintenance of proper records.

(5) A statement indicating how the course will be planned and designed to meet the requirements of 878 IAC 1-3-2.

(c) Applicants for approval of a home inspector's preclicensing course shall require a comprehensive examination, which its students must pass with a minimum score of seventy-five percent (75%) in order to successfully complete the course. Applicants shall submit the most current version of this examination at the time of filing the application for approval.

(d) Applicants for approval of a home inspector's preclicensing course shall provide the board with the following:

- (1) Documentation verifying adequate funding for the educational course undertaken.
- (2) An evaluation form devised and used to measure the course's effectiveness.
- (3) A statement indicating the manner in which the provider will provide its course participants a meaningful record of course completion.

(Home Inspectors Licensing Board; 878 IAC 1-4-2; filed Apr 18, 2005, 12:15 p.m.:
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878 IAC 1-4-3 Course records

Authority: IC 25-20.2-3

Affected: IC 25-20.2

Sec. 3. Each approved provider offering approved courses must maintain records of students who successfully complete and pass the course of study for a minimum of five (5) years. The records must include attendance records, examination score records, and duplicate copies of completion certificates or the ability to reproduce duplicate completion certificates.

(Home Inspectors Licensing Board; 878 IAC 1-4-3; filed Apr 18, 2005, 12:15 p.m.:
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878 IAC 1-4-4 Preclicensing course provider renewals

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 4. (a) The approval of courses expires on October 1 of each odd-numbered year.

(b) To renew the approval of the preclicensing course, the provider shall:

- (1) pay the renewal fee established in 878 IAC 1-3-1;
- (2) file a renewal application provided by the board; and
- (3) submit a biennial report, which shall contain:
 - (A) a list of instructors who teach any section of the course and a curriculum vitae for the instructor if the instructor was not listed on the provider's initial application for approval; and
 - (B) a roster of all students who attended the approved providers course during the previous renewal cycle and a report on whether each student passed or failed the course.

(Home Inspectors Licensing Board; 878 IAC 1-4-4; filed Apr 18, 2005, 12:15 p.m.:
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878 IAC 1-4-5 Preclicensing course provider audits

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 5. The board may perform random audits of approved preclicensing course providers to ensure compliance with this rule.

(Home Inspectors Licensing Board; 878 IAC 1-4-5; filed Apr 18, 2005, 12:15 p.m.:
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Rule 5. Continuing Education

878 IAC 1-5-1 Continuing education requirements

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 1. (a) A licensee who renews a license as a home inspector shall complete not less than thirty-two (32) continuing education hours in each renewal period.

(b) Continuing education hours shall be obtained within the biennial renewal period in which the licensee is applying and shall not be carried over from one (1) biennial renewal period to another.

(c) A holder of a license issued under IC 25-20.2 must retain a record of the continuing education required by subsection (b) for two (2) years following the end of the biennial renewal period for which it was obtained.

(d) Continuing education completed to satisfy the continuing education requirements of another state with which a reciprocal agreement exists, in which the licensee also holds a license as a home inspector, may be applied towards the continuing education requirement of this rule for renewal of a license issued under IC 25-20.2.

(e) A holder of a license issued under IC 25-20.2 who has been licensed for less than two (2) full years before the first renewal date for that license shall meet the following continuing education requirements for the licensee's first renewal period:

- (1) A licensee who has been licensed for at least twelve (12) months but less than twenty-four (24) months shall complete sixteen (16) hours of continuing education for renewal of that initial license.
- (2) A licensee who has been licensed for less than twelve (12) months shall be exempt from the continuing education hours required for renewal of that initial license.

(Home Inspectors Licensing Board; 878 IAC 1-5-1; filed Apr 18, 2005, 12:15 p.m.:
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878 IAC 1-5-2 Continuing education

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 2. (a) As used in IC 25-20.2, "continuing education" means education provided by board-approved providers that is obtained by a licensee in order to maintain, improve, or expand the licensee's skills and knowledge.

(b) Continuing education shall be comprised of two (2) categories, Category I and Category II. The licensee shall obtain a minimum of seventy-five percent (75%) of the required amount of continuing education hours for renewal from Category I and may obtain a maximum of twenty-five percent (25%) of the required amount of continuing education hours for renewal from Category II.

(c) Category I is defined as continuing education that is formal programming, which includes instruction in one (1) of the following areas:

- (1) Heating systems.
- (2) Cooling systems.
- (3) Electrical systems.
- (4) Plumbing systems.
- (5) Structural components.
- (6) Foundations.
- (7) Roof coverings.
- (8) Exterior and interior components.

(d) Category II is defined as continuing education that is formal programming, which includes instruction in:

- (1) any other site aspects that affect a residential dwelling; or
- (2) business operations, contract writing, ethics courses, report writing, legal liability instruction, or any other formal programming that is specifically directed toward the home inspection industry.

(Home Inspectors Licensing Board; 878 IAC 1-5-2; filed Apr 18, 2005, 12:15 p.m.:
__ IR __)

878 IAC 1-5-3 Approval of continuing education providers

Authority: IC 25-20.2-3-8; IC 25-20.2-6-5

Affected: IC 25-20.2

Sec. 3. (a) The following criteria shall be used for the approval of providers of continuing education courses for licensed home inspectors:

- (1) The continuing education provider shall have a statement of objectives, which the provider's courses should achieve for its participants relating to and enhancing the licensees practice.
- (2) The provider of continuing education courses shall provide the following:

- (A) Adequate administration, including a responsible person to coordinate and administer the courses.
- (B) Maintenance of proper records.

(3) Providers of continuing education courses shall provide adequate funding for the educational courses undertaken.

(4) The curriculum of continuing education courses shall be thoughtfully planned and designed to explore in considerable depth one (1) subject or a closely related group of subjects related to the licensee's practice.

(5) The continuing education provider shall have qualified faculty members with demonstrated competence in the subject areas.

- (6) The continuing education provider's courses shall be held in adequate facilities that allow for an effective learning environment.
- (7) Continuing education providers may employ a variety of educational methods and teaching aids that enhance the learning opportunities.
- (8) Appropriate methods of evaluation shall be devised and used to measure the continuing education provider's effectiveness.
- (9) The provider of continuing education courses shall provide to the participants a meaningful record of attendance stating the continuing education hours involved and whether the course involved subject matter under Category I or under Category II, as defined in section 2 of this rule.

(b) Organizations applying for board approval to be a registered provider of continuing education courses must submit an application to the board for approval at least ninety (90) days before the presentation of any course. The board shall act upon the application within ninety (90) days of receipt. The approval, if granted, is effective until October 1 of every odd-numbered year.

(c) An approval to provide continuing education hours for licensed home inspectors will expire on September 30 of the odd-numbered years.

(d) Providers of courses are responsible for monitoring attendance in such a manner that verification of attendance throughout the entire course can be reliably assured.

(e) The provider shall maintain attendance records for a minimum of four (4) years from the date of the course. These records must include the following:

- (1) The date of the course.
- (2) The course title.
- (3) The presenter's name.
- (4) The names of all participants.
- (5) The number of continuing education hours granted each participant.
- (6) A record of whether the hours granted are Category I or Category II, as defined in section 2 of this rule.

(Home Inspectors Licensing Board; 878 IAC 1-5-3; filed Apr 18, 2005, 12:15 p.m.:
 ___ IR ___)

878 IAC 1-5-4 Request for a waiver of the continuing education requirement

Authority: IC 25-20.2-3-8

Affected: IC 25-1-12; IC 25-20.2

Sec. 4. (a) A holder of a license issued under IC 25-20.2, seeking renewal of that license without having completed the continuing education hours required for renewal under this rule, must submit:

- (1) a statement explaining the reasons for noncompliance;
- (2) a request for a waiver of the continuing education hours required for renewal; and
- (3) the renewal application and all required fees;

at least forty-five (45) days before the license expiration date.

(b) The licensee must submit evidence that an extreme hardship exists, to the satisfaction of the board, to be granted a waiver.

(c) If the request is granted, the waiver will be effective for the length of the current renewal period only.

(d) If the request is denied, the licensee is responsible for completing the full amount of continuing education required for license renewal.

(e) Waivers may be granted if an extreme hardship exists. The board will determine whether an extreme hardship exists that would have prevented the licensee from obtaining his or her continuing education hours if, during the licensee's current renewal period, the licensee or an immediate family member, where the licensee has primary responsibility for the care of that family member, was suffering from or suffered a disability. A disability is a physical or mental impairment that substantially limits one (1) or more of the major life activities of an individual. The existence of the disability must be verified by a licensed physician or psychologist with special expertise in the area of the disability. Verification of the disability must include the following:

- (1) The nature and extent of the disability.
- (2) An explanation of how the disability would hinder the licensee from completing the continuing education requirement.
- (3) The name, title, address, telephone number, professional license number, and original signature of the licensed physician or psychologist verifying the disability.

(f) Waivers of the continuing education requirement, or extensions of time in which to complete the continuing education requirement, due to military service are governed by IC 25-1-12 as the same may be amended or recodified.

(Home Inspectors Licensing Board; 878 IAC 1-5-4; filed Apr 18, 2005, 12:15 p.m.:
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878 IAC 1-5-5 Continuing education audits

Authority: IC 25-20.2-3-8

Affected: IC 25-20.2

Sec. 5. (a) The board may require additional evidence demonstrating the licensee's compliance with the continuing education requirements of this rule. This additional evidence shall be required in the context of a random audit. It is the responsibility of the licensee to verify that the continuing education hours obtained to meet the continuing education required for the renewal of his or her license have been approved by the board. It is the responsibility of the licensee to retain or otherwise produce evidence of compliance.

(b) The board may perform random audits of approved continuing education providers to ensure compliance with this rule.

(Home Inspectors Licensing Board; 878 IAC 1-5-5; filed Apr 18, 2005, 12:15 p.m.:
 ___ IR ___)